

INFORMATION BULLETIN

WELFARE-TO-WORK

Employment Development Department

Number: WB99-10

Date: February 24, 1999
Expiration Date: 12/31/99
69:127:is:2563

TO: SERVICE DELIVERY AREA ADMINISTRATORS
PRIVATE INDUSTRY COUNCIL CHAIRPERSONS
WELFARE-TO-WORK 15 PERCENT SUBGRANTEES
COUNTY WELFARE DIRECTORS
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES STAFF
EDD EXECUTIVE STAFF
WORKFORCE DEVELOPMENT BRANCH STAFF

SUBJECT: JANUARY 27, 1999, WtW ADVISORY GROUP MINUTES AND NOTES

The minutes and whiteboard notes from the January 27, 1999, Welfare-to-Work (WtW) Advisory Group meeting are attached. The next meeting is scheduled for February 24, 1999, from 10:00 a.m. to 3:00 p.m., at 750 N Street, Job Training Partnership Division, Conference Room A.

If you have any questions regarding this information bulletin, please contact Brett Lapp at:

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/S/ BILL BURKE
Assistant Deputy Director

Attachments

WtW ADVISORY GROUP MEETING MINUTES

January 27, 1999

Opening Remarks

Increased Scrutiny of WtW Program – Bill Burke, Job Training Partnership Division (JTPD), explained that there is increasing scrutiny on the WtW program by the Department of Labor (DOL), State Job Training Coordinating Council (SJTCC), and other stakeholders of the program.

Lieutenant Governor Bustamente attended a recent SJTCC meeting and is interested in WtW program implementation and associated barriers.

It was noted that other states are facing similar difficulties with WtW program implementation and the California Department of Social Services (CDSS) and Employment Development Department (EDD) are continuing to work together on state-level issues to facilitate a smoother implementation of California's WtW program.

Follow-up from November 10, 1998, WtW Advisory Group Meeting

Additional Policy Formulation - Michael Evashenk, JTPD, discussed the potential policy areas, such as procurement and eligibility, identified at the last WtW Advisory Group meeting as areas needing further guidance.

The EDD has already provided guidance in the areas of cash management and reporting. Other areas needing policy guidance may include procurement, eligibility, and monitoring. In many cases, the EDD will reference existing laws and regulations to provide guidance and give WtW operators flexibility to develop specific policies for their local areas. A suggestion was made to bring comments on draft directives back to the WtW Advisory Group for further discussion.

Capacity Building – Michael Baldwin, JTPD, provided an update on EDD's capacity-building efforts.

Sixty WtW overview classes have been given thus far and EDD is now getting requests from County Welfare Departments (CWD) for the same overview training.

The Workforce Investment Act (WIA) will be the focus of the California Workforce Association spring conference, not WtW.

The Community Transportation Association of America will offer two transportation training sessions. The sessions are scheduled for March 16, 1999, in Pasadena and March 18, 1999, in Millbrae. Participants will receive the Employment Transportation Technical Assistance toolkit.

WtW State Plan – Sue Gidley, Workforce Investment Transition Division, provided an update on the WtW State Plan for the second year of the program.

The plan was submitted to the California Health and Human Services Agency for review and approval. There were no significant changes to the plan, compared to the original submission.

In California, four public hearings have been scheduled for the second year plan in 1999: February 16 in Oakland, February 17 in Fresno, February 22 in Sacramento, and February 23 in Los Angeles.

Local planning instructions are being developed and are expected to be released by the end of March.

SJTCC Update – Dean Smith, SJTCC, provided an update on SJTCC activities.

They have received some new members and are meeting on one-stop and performance-based accountability. The SJTCC is providing analysis to the California Legislature and other stakeholders on Workforce Investment Board options.

Workforce Development Branch (WDB) Update – Kathy Mailer, WDB Deputy Director, will be briefing legislative staff on WtW. The focus of the WDB is to assist in removing barriers to the local service providers, and Kathy asked for input from the WtW Advisory Group.

Reporting Update – Liz Clingman, JTPD, provided an update on reporting. A draft monthly supplemental report was introduced. Liz explained that the report would be necessary due to the close scrutiny of the WtW program.

The JTPD will look at what is meant by job creation wage subsidy to clarify the definition and will consider modifying the Job Training Automated system to provide space for a comment block on the quarterly reports.

The JTPD will be working with CDSS to clarify how the Temporary Assistance for Needy Families (TANF) emergency data report will be done for the WtW sample. The WtW client forms will be modified to be consistent with the federal Department of Health and Human Services (DHSS) participant requirements.

New Items

Status of CalWORKs Caseloads – 325,000 enrollees are expected (excluding exempts, etc.) of which 264,000 (80%) were enrolled by the end of December 1998. The January to September 1998 rate of employment has increased by 38 percent, the rate of sanctions has increased by 61 percent over the same period, and “no-show” rates are declining. Through the January to September 1998 period, there has been only a 15 percent increase in TANF expenditures for child care, a 40 percent increase in expenditures for transportation, and over a 100 percent increase in ancillary expenditures (i.e. work boots, etc.). There has been a 28 percent caseload reduction (across the board) from 1995 to 1998.

Status of Coordination between SDAs and CWDs - El Dorado County is experiencing a one-year planning/start-up process. Part of the delay can be attributed to the list of TANF participants received from CDSS. The list contained participants on the TANF rolls for 20 months or more which requires additional work to pare down to only those individuals on aid 30 months or longer.

Merced County explained that their WtW program is at the participant assessment phase. Once the assessments are completed, referrals to the Greater Avenues for Independence (GAIN) or the WtW program will begin.

Los Angeles is using outreach and recruitment to obtain reverse referrals for their WtW program. The reverse referrals will still go through Job Search and after assessment participants will be sent back to the Service Delivery Areas (SDA).

The San Bernardino GAIN program is providing assessment and job services prior to referring them through the One-Stop system which is operating the WtW program.

Performance Bonus Update – Liz Clingman provided an update on performance bonus information. A performance bonus criterion has been released by DOL and some of California's concerns have been addressed, although others have not.

Four performance measures were adopted:

- *Job Entry Basic Rate:* The number of participants entering employment for the first time. Credit for basic job entry will include both subsidized and unsubsidized employment for the initial job entry of each participant. Basic job entry only counts for jobs obtained while receiving services from a WtW entity.
- *30-plus Hour Rate:* The number of participants entering employment of 30-plus hours per week or increasing hours of subsidized or unsubsidized employment to 30-plus hours per week or greater for the first time. This includes employment under 30 hours per week not obtained while receiving services from a WtW entity if the employment is increased to 30 hours per week while receiving services from a WtW entity.
- *Job Retention Rate:* The number of participants in unsubsidized employment in the base quarter (April through June 1999) who are retained in unsubsidized employment in the second subsequent quarter (October through December 1999).
- *Earnings Rate Gain:* The sum of the earnings of participants retained in unsubsidized employment in the second subsequent quarter minus the sum of the earnings of that group in the base quarter.

If a CWD places a client into the first job and then refers the client to an SDA for post-employment services, the client cannot count as a WtW placement in the basic rate. However, if a SDA increases the number of weekly hours employed to more than 30 hours per week, credit can be taken for the 30-plus Hour Rate category.

The Job Retention Rate is based on a cohort of clients entering unsubsidized employment in April through June 1999, quarter and whether they are retained in the October through December quarter.

The Job Entry Basic Rate may include subsidized and unsubsidized jobs as long as some unsubsidized wages are present.

The CWDs plan to have clients participating in 32 hours or more in subsidized work activity prior to referring them to SDAs. A suggestion was made to try and limit the definition of subsidized employment to provide more flexibility.

Agenda Building for Next Meeting – The following items were discussed as potential agenda items for the next WtW Advisory Group Meeting:

- Policy Directives/Guidance
- Best Practices
- Results of Monthly Report

**WELFARE-TO-WORK ADVISORY MEETING
WHITE BOARD NOTES
January 27, 1999**

I. Opening Remarks – Bill Burke

- Increasing scrutiny on WtW program by DOL, SJTCC, and other stakeholders
 - What are the numbers of WtW participants served and why are they so low?
 - Clinton may propose to augment WtW funding
 - Lt. Governor Bustamante attended SJTCC and is interested in program implementation and associated barriers
 - Other states are facing similar difficulties with slow start-up of WtW implementation
 - DSS and EDD are continuing to work together on state-level issues

II. Follow-up Items from November 10 WtW Advisory Meeting

- Additional policy formulation – Michael Evashenk
 - Last meeting we identified potential policy areas, e.g. procurement eligibility, needing further guidance
 - Already have provided guidance on cash management and reporting
 - Other areas needing more policy – may include options for locals
 - Certain areas are already covered – no more policy needed
 - Don't ask questions you don't want state to define is another approach used by CWDs in the past
 - Another approach would be to present information about upcoming draft policy to Self-Sufficiency CWD Cmte. and explain CWD's role in process (every month-next meeting is February 11 at 11:30)
 - "Transparent umbrella" is intent of direction
 - Suggest bringing comments on draft directives back to the Advisory Committee for further discussion
- Capacity Building – Michael Baldwin
 - 60 WtW overview classes have been given
 - New module on CALWORKs for SDAs beginning April 1999 – four sessions using Training-for-Trainers approach
 - WIA will be focus of CWA spring conference, not WtW
 - Transportation (CTAA) training toolkit seminars will be offered in March 1999
 - EDD is getting requests from CWDs for WtW overview classes
- Second year WtW State Planning – Sue Gidley/Don Migge
 - Sent to CHHS Agency for review/approval
 - Have scheduled four (4) hearings in February 1999 on state plan
 - No major differences from first year plan

- Local planning instructions are being developed – expect to be released in February 1999. Local plans probably due in April 1999
- SJTCC Update – Dean Smith
 - SJTCC has received some new members and is meeting on One-Stop and PBA today
 - SJTCC is providing analysis to legislature and other stakeholders on Workforce Investment Board options
- Workforce Development Branch Update - Kathy Mailer
 - Kathy Mailer will be briefing legislative staff on WtW tomorrow. Focus of WDB is to assist in removing barriers. Need input from WtW Advisory Group.
- Performance Bonus Update – Liz Clingman
 - Criteria have been released by DOL and some of California's concerns have been addressed; others have not
 - No comment period
 - Four measures were adopted
 - Job Entry Basic Rate
 - 30+ Hour Rate
 - Job Retention Rate
 - Earnings Rate Gain
 - If CalWORKs places clients into first job and refers to SDAs for post-employment service, we cannot count as WtW placement in basic rate
 - If SDA increases number of hours to more than 30 hours per week, can take credit for 30+ per hour rate
 - Job retention rate based on a cohort of clients entering on unsubsidized employment in April through June 1999. Are they retained in the October through December period?
 - Earnings rate wage gain also based on two-quarter lag process
 - Job entry includes subsidized and unsubsidized jobs as long as some unsubsidized wages present
 - Weighting of measures: 40%, Job Entry Basis Rate; 20%, 30+ Hour Rate; 25%, Job Retention Rate; 15%, Earnings Rate Gain
- CWD's plan to have clients participating 32 hours or more subsidized employment prior to referring to SDAs
- Can take credit on job entry basic rate if client obtains some unsubsidized employment hours under WtW
- Don't lose sight that performance bonus is small relative to dollars available for WtW program
- DOL reporting instructions may be modified to include these definitions in DOL financial report
- Suggest we try to limit definition of subsidized employment to provide more flexibility

- Reporting – Liz Clingman
 - Introduced draft monthly WtW supplemental report - will be needed due to scrutiny on WtW program
 - What is meant by job creation wage subsidy? JTPD will look at definition
 - Do we have comment block on quarterly reports? JTPD will look at modifying JTA to include this
 - Needs to clarify terms used on monthly reports
- Pending Issues
 - How we will collect TANF emergency data report for WtW sample? Will be working out with DSS on this
 - WtW client forms will be modified consistent with DHHS participant requirements
 - Monthly report needs to be implemented in February – budget hearings in mid-February

III. New Items

- Status of coordination between SDAs and CWDs
 - Los Angeles mtg. with Region IX, DHHS, DSS, EDD, Los Angeles GAIN
 - Overview of collaborative process - started over a year ago
 - CalWORKs has been a focus to date
 - Suggestions included modification to All-County WtW Letter and changes in confidentiality
 - SDA requested lists of potential clients; CWD does not want to release
 - El Dorado is also experiencing a one-year planning/start-up process
 - Another suggestion is to modify competitive grants so they do not duplicate existing services
 - Round 3 DOL competitive grant has been released - requirements have changed from round 1 and 2
 - El Dorado says 30 months or more lists contained those over 20 months or more (Charr Lee will follow-up)
 - Merced explains WtW program at assessment phase; then referrals may go to GAIN or WtW
 - WtW program using outreaches to obtain reverse referrals in Los Angeles
 - Reverse referrals still go through Job Search and after assessment will be sent back to SDAs
 - Not necessarily anything wrong – process just takes a long time
 - WtW dollars are being reserved for unmet needs
 - Due to lag in WtW dollars, general funds were used in San Francisco to provide services
 - Competitive grants were funded that were not realistic
 - Next round of grant applications should complement existing programs
 - Competitive grants are doing outreach and marketing
 - San Diego is doing marketing to case managers

- Natural tendency is to work with clients that are not employed as first priority creates lag
- San Francisco is trying to cluster post-employment services by reaching out to employed clients
- Clients have fear about losing custody of children or having other investigative actions taken against them
- San Bernardino – GAIN is providing assessment and job services and then referrals to WtW will be done through One-Stop. Contracts for WtW are just now going to Board of Supervisors
- Status of CalWORKs caseload
 - 325,000 to enroll (excluding exempt, etc.)
 - 264,000 (80%) were enrolled by 12/98 (means letters have been sent to show-up, not necessarily receiving services yet)
 - January to September rate of employment has increased by 38%
 - Rate of sanction has increased 61%
 - No show rates are declining, too
 - Merced is doing home visits and believes that will reduce case loads
 - Supportive Services: 15% increase in child care dollars and 40% increase in transportation dollars
 - 1995 through 1999: 28% case load reduction (across the board). Ethnic groups are leaving at comparable rates
 - Bay Area; mountain counties and San Diego are leaders in reduction. Lowest reductions are Los Angeles, South San Joaquin and Sacramento Valley
- Other Discussion Items
 - Don't know how many hours employed are working in El Dorado
 - Mental health and drug problems must be treated together
 - DSS and EDD are available to facilitate in working on referral process for agencies needing assistance
 - Next focus will be 18-month time limit for CWDs
 - \$25 million available for match this year
 - In Los Angeles only 11% meet the 70% criteria
 - Several would like to see some of targeting requirements simplified or removed
 - Recommended doing WtW eligibility up-front instead of waiting until client has been working in CalWORKs for several months
 - Identifying key liaisons to do collaborations in Los Angeles has helped communication
 - Co-training line staff encourages communication
 - Concurrent enrollment in JTPA/WtW/CalWORKs gives more flexibility